House File 82 - Introduced

HOUSE FILE 82 BY JACOBY

A BILL FOR

- 1 An Act providing a property assessment adjustment for certain
- 2 property of persons who have attained the age of sixty-seven
- years, six months, providing a penalty, and including
- 4 retroactive and other applicability provisions.
- 5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

- 1 Section 1. NEW SECTION. 425B.1 Homestead assessed value
- 2 adjustment purpose.
- 3 A person who owns a homestead and who meets the
- 4 qualifications provided in this chapter is eligible for an
- 5 adjustment in the assessed value of the person's homestead, as
- 6 provided in this chapter, to prevent an increase in such value.
- 7 Sec. 2. NEW SECTION. 425B.2 Definitions.
- 8 As used in this chapter, unless the context otherwise
- 9 requires:
- 10 1. "Assessed value" means the actual value prior to any
- 11 adjustment pursuant to section 441.21, subsection 4.
- 12 2. "Base assessment year" means the assessment year
- 13 beginning in the base year.
- 3. "Base year" means the calendar year last ending before
- 15 the claim is filed.
- 16 4. "Claimant" means a person filing a claim for adjustment
- 17 under this chapter who has attained the age of sixty-seven
- 18 years, six months on or before December 31 of the base year and
- 19 is domiciled in this state at the time the claim is filed or at
- 20 the time of the person's death in the case of a claim filed by
- 21 the executor or administrator of the claimant's estate.
- 22 5. "Homestead" means the same as defined in section 425.11.
- 23 6. "Owned" means owned by an owner as defined in section
- 24 425.11.
- 25 Sec. 3. NEW SECTION. 425B.3 Right to file a claim.
- 26 The right to file a claim for an assessed value adjustment
- 27 under this chapter may be exercised by the claimant or on
- 28 behalf of a claimant by the claimant's legal guardian, spouse,
- 29 or attorney, or by the executor or administrator of the
- 30 claimant's estate. If a claimant dies after having filed a
- 31 claim for adjustment, the amount of any adjustment shall be
- 32 made as if the claimant had not died.
- 33 Sec. 4. NEW SECTION. 425B.4 Claim for adjustment.
- 34 1. Subject to the limitations provided in this chapter,
- 35 a claimant may annually claim an adjustment of the assessed

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- 1 value of the claimant's homestead for the base assessment year.
- 2 The adjustment claim shall be filed with the county assessor
- 3 between January 1 and February 15 immediately following
- 4 the close of the base assessment year. However, in case of
- 5 sickness, absence, or other disability of the claimant, or
- 6 if in the judgment of the county assessor good cause exists,
- 7 the county assessor may extend the time for filing a claim for
- 8 adjustment through June 30 of the same calendar year.
- 9 2. The county assessor shall notify the department of
- 10 revenue by March 1 of the number of claimants receiving
- 11 adjustments under this chapter and the total amount of the
- 12 reduced assessed values for the base assessment year.
- 13 Sec. 5. NEW SECTION. 425B.5 Adjustment maximum tax
- 14 dollars levied.
- 15 If the claimant meets the criteria for an adjustment under
- 16 this chapter, the assessed value of the claimant's homestead in
- 17 the base assessment year shall be adjusted, but not increased,
- 18 to equal the assessed value, as such assessed value may have
- 19 been adjusted pursuant to this chapter, in the assessment year
- 20 preceding the base assessment year. If the amount of property
- 21 taxes levied against the adjusted assessment exceeds the amount
- 22 of property taxes levied against the property in the fiscal
- 23 year for which taxes were first levied against an adjusted
- 24 assessment under this chapter, the treasurer shall subtract the
- 25 difference from the amount due.
- 26 Sec. 6. NEW SECTION. 425B.6 Administration.
- 27 The director of revenue shall make available suitable forms
- 28 for claiming an assessed value adjustment with instructions
- 29 for claimants. Each assessor and county treasurer shall make
- 30 available the forms and instructions. The claim shall be in a
- 31 form as the director may prescribe.
- 32 Sec. 7. NEW SECTION. 425B.7 Proof of claim.
- 33 1. Every claimant shall give the department of revenue, in
- 34 support of the claim, reasonable proof of:
- 35 *a.* Age.

- 1 b. Changes of homestead.
- 2 c. Size and nature of the property claimed as the homestead.
- The director of revenue may require any additional proof
 necessary to support a claim.
- 5 Sec. 8. NEW SECTION. 425B.8 Audit denial.
- 6 If on the audit of a claim for adjustment under this chapter,
- 7 the director of revenue determines the claim is not allowable,
- 8 the director shall notify the claimant of the denial and the
- 9 reasons for it. The director shall not deny a claim after
- 10 three years from October 31 of the year in which the claim was
- 11 filed. The director shall give notification to the county
- 12 assessor of the denial of the claim and the county assessor
- 13 shall instruct the county treasurer to proceed to collect the
- 14 tax that would have been levied on the applicable adjusted
- 15 assessed value in the same manner as other property taxes
- 16 due and payable are collected, if the property on which the
- 17 adjustment was granted is still owned by the claimant.
- 18 Sec. 9. NEW SECTION. 425B.9 Waiver of confidentiality.
- 19 1. A claimant shall expressly waive any right to
- 20 confidentiality relating to all information available to the
- 21 county assessor who shall hold the information confidential
- 22 except that it may be used as evidence to disallow the assessed
- 23 value adjustment.
- 24 2. The department of revenue may release information
- 25 pertaining to a person's eligibility or claim for or receipt of
- 26 the assessed value adjustment to an employee of the department
- 27 of inspections and appeals in the employee's official conduct
- 28 of an audit or investigation.
- 29 Sec. 10. NEW SECTION. 425B.10 False claim penalty.
- 30 A person who makes a false affidavit for the purpose of
- 31 obtaining an adjustment in assessed value provided for in
- 32 this chapter or who knowingly receives the adjustment without
- 33 being legally entitled to it or makes claim for the adjustment
- 34 in more than one county in the state without being legally
- 35 entitled to it is guilty of a fraudulent practice. The claim

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- 1 for adjustment shall be disallowed in full and property tax
- 2 shall be levied on the disallowed adjustment at the rate that
- 3 would have been levied but for the adjustment. The director of
- 4 revenue shall send a notice of disallowance of the claim.
- 5 Sec. 11. <u>NEW SECTION</u>. **425B.11 Notices, appeals, and** 6 rules.
- 7 To the extent not otherwise contrary to the provisions of
- 8 this chapter:
- 9 1. Section 423.39, subsection 1, shall apply to all notices 10 under this chapter.
- 11 2. Any person aggrieved by an act or decision of the
- 12 director of revenue or the department of revenue under this
- 13 chapter shall have the same rights of appeal and review as
- 14 provided in section 423.38 and the rules of the department of 15 revenue.
- 16 3. A claim for adjustment shall be disallowed if the
- 17 department finds that the claimant or a person of the
- 18 claimant's household received title to the homestead primarily
- 19 for the purpose of receiving benefits under this chapter.
- 20 4. The department of revenue shall adopt rules pursuant to
- 21 chapter 17A to administer and interpret this chapter, including
- 22 rules to prevent and disallow duplication of benefits and to
- 23 prevent any unreasonable hardship or advantage to any person.
- 24 Sec. 12. APPLICABILITY. This Act applies retroactively to
- 25 January 1, 2021, for assessment years beginning on or after
- 26 that date and to the filing of claims on or after January 1,
- 27 2022, for adjustments of assessed values.
- 28 EXPLANATION
- The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.
- 31 This bill provides for an adjustment in the assessed value
- 32 of a homestead, as defined in the bill, if the owner is a
- 33 person who is 67 years, 6 months in age or older. If the
- 34 qualifications are met, the assessed value of the homestead
- 35 upon which property taxes are levied in a fiscal year is the

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- 1 same assessed value as for the previous fiscal year. The bill
- 2 specifies that assessed value is the actual value prior to any
- 3 rollback being applied.
- 4 The bill provides that a person who makes a false affidavit
- 5 for the purpose of obtaining an adjustment, knowingly receives
- 6 the adjustment without being legally entitled to it, or makes
- 7 claim for the adjustment in more than one county without being
- 8 legally entitled to it is guilty of a fraudulent practice and
- 9 is subject to a criminal penalty.
- 10 The bill applies retroactively to January 1, 2021, for
- ll assessment years beginning on or after that date and applies to
- 12 claims filed on or after January 1, 2022, for the adjustments.